# GENERAL SUBSCRIBER SERVICE TARIFF FOR THE STATE OF SOUTH CAROLINA

This Tariff contains regulations and rates applicable for the furnishing of Basic Local Exchange Service, Long Distance Message Telecommunications Service, Mobile Telephone Service, Wide Area Telecommunications Service and for other general subscriber services, equipment and facilities associated with the preceding services offered by ***BellSouth Telecommunications, Inc.*** within this State.[1] This Tariff and a Map Supplement containing individual Exchange Service Area, Zone Rate Area and Base Rate Area Maps are on file with the South Carolina Public Service Commission. (T)

Communication services described in this Tariff are furnished through facilities provided by the Company for the transmission of intelligence by electrical impulse, principally by means of wire, radio or a combination thereof.

## EXPLANATION OF SYMBOLS

When changes are made in any tariff page, a revised page will be issued cancelling the tariff page affected; such changes will be identified through the use of the following symbols:

| | |
|---|---|
| (B) | To signify rates established under bond |
| (C) | To signify a changed regulation or tariff |
| (D) | To signify discontinued rate, regulation or text |
| (I) | To signify increase in rate |
| (M) | To signify a move from one page to another with no change to text, regulation or tariff |
| (N) | To signify new rate and/or new regulation, and/or new text |
| (O) | To signify obsoleted rate, regulation or text |
| (R) | To signify reduction in rate |
| (S) | To signify matter already appearing in another part of the tariff and repeated for clarification |
| (T) | To signify a change in text but no change in rate or regulation |
| (U) | To signify USOC added or changed only |
| (V) | To signify vintaged tariff |

The preceding symbols will apply except where additional symbols are identified at the bottom of an individual page.

Note 1: Wherever in this Tariff the name "Southern Bell Telephone and Telegraph Company" or the term "Company" appears, that shall mean and shall refer to BellSouth Telecommunications, Inc., unless the context clearly indicates otherwise. (N)

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®Registered Trademark of American Telephone & Telegraph Company
*Service Mark of BellSouth Corporation

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SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
SOUTH CAROLINA
ISSUED: July 5, 1994
BY: President - South Carolina
Columbia, South Carolina



Tenth Revised Page 15
Cancels Ninth Revised Page 15

EFFECTIVE: August 2, 1994

# A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

## A5.5 Reserved for Future Use

## A5.6 Contract Service Arrangements

### A5.6.1 General

A. When economically practicable, customer specific contract service arrangements may be furnished in lieu of existing tariff offerings provided there is reasonable potential for uneconomic bypass of the Company's services. Uneconomic bypass occurs when an alternative service arrangement is utilized, in lieu of Company services, at prices below the Company's rates but above the Company's incremental costs. Pursuant to Order No. 84-804, this Tariff will remain in effect unless otherwise modified or removed by authorization of the Public Service Commission. (C)

B. Rates, Charges, Terms and additional regulations, if applicable, for the contract service arrangements will be developed on an individual case basis, and will include all relevant costs, plus an appropriate level of contribution.

C. Unless otherwise specified, the regulations for contract service arrangements are in addition to the applicable regulations and rates specified in other sections of this Tariff.

### A5.6.2 Rates and Charges

A. The following is a listing of rates and charges to subscribers requiring Contract Service Arrangements.

1. Reserved for Future Use

# A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

## A5.3 Charges for Unusual Installations (Cont'd)

### A5.3.2 Special Types of Installation

When a special type of installation is desired by a subscriber or where the individual requirements of a particular situation make the installation unusually expensive, the subscriber is required to bear the excess cost of such installation.

### A5.3.3 Temporary Installation

When an installation is required for temporary service and there is no immediate prospect of reusing the plant provided, the subscriber may be required to bear all or a portion of the cost of such installation, over and above all other regular charges for service and equipment.

## A5.4 Special Service Arrangements

### A5.4.1 General

A. Where practicable, special equipment and arrangements,[1] not otherwise provided for in this tariff, are furnished if they are in accord with authorized service offerings and if they are to be used in connection with and not detrimental to any of the services furnished by the Company. Charges for such special service arrangements will be based on the estimated costs of furnishing them. (C)

B. Initial service periods exceeding one month may be necessary for facilities and equipment provided under a special service arrangement.

C. The rates, charges and contract terms for the following items have been established as specified above to meet the particular requirements of certain subscribers. Inclusion of the rates and codes herein in no way constitutes authorization for any subscriber other than those specified. Service charges apply to installation of SSA subsequent to the initial installation of associated equipment.

Note 1: In order to meet Open Network Architecture (ONA) requirements, the Company, upon customer request, will produce a special arrangement for WatchAlert® service and Performance and Fault Management Service based upon criteria in A5.4.1. (N)

[1]Registered Service Mark of BellSouth Corporation

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 84-379-C - ORDER NO. 84-804

October 5, 1984

IN RE: Application of Southern Bell Telephone and Telegraph Company to Amend Certain Portions of its General Subscriber Services, Private Line Services and Access Services Tariffs So As to Allow Limited Contractual Services ) ORDER APPROVING TARIFF

This matter comes before the South Carolina Public Service Commission by way of the Application of Southern Bell Telephone and Telegraph Company (the Company), filed on June 18, 1984, whereby the Company sought to amend certain portions of its General Subscriber, Private Line and Access Services Tariffs. These amendments would allow the Company to provide telecommunications services on a case-by-case basis in lieu of then existing tariff rates when the volume of service offered would permit contractual rates that would recover the costs of providing a competitive service and provide a contribution to the basic services.

The Application was filed pursuant to S. C. Code Ann. Section 58-9-520 (1976), as amended, and R.103-830, et seq, of the Commission's Rules and Regulations. Subsequent to the date of filing, Notice was given in the State Register, Vol. 8, Issue 7, dated July 27, 1984.

Following Notice of this matter, the Consumer Advocate of South Carolina (the "Consumer Advocate") filed a Petition to Intervene and was granted status as an Intervenor by Order of the Commission dated August 21, 1984. By letter dated September 28, 1984, the Consumer Advaocate has advised the Commission that it does not feel that a hearing need be held on this cause provided the Company agrees to fully inform the parties hereto, on a case-by-case basis, when services are provided pursuant to these tariff revisions. Southern Bell has agreed to provide that information and to make available for inspection the cost studies and methodologies which support contract services proposals.

In determining whether or not a hearing is required in this matter, the Commission is mindful of Code Section 8-9-250 (1976) which states in pertinent part that "no telephone utility shall, as to rates or services, make or grant any unreasonable preference or advantage to any person." That nondiscrimination statute continues, however, and states that classifications of rates and services may take into account "the conditions and circumstances surrounding the services, such as the time when used, the purpose for which used, the demand upon plant facilities...or any other reasonable consideration."

It is apparent to the Commission that the present state of flux in the telephone industry as a result of the

break-up of the Bell System (see, United States of America v. Western Electric Co., et al, Civil Action No. 82-0192 (D. C. 1982) has required that we remain mindful of the objective of universal telephone service in South Carolina. As such, the public interest requires that regulation, while a necessary surrogate for competition, not be an impediment to a utility's ability to retain existing customers and/or attract new ones in competitive situations. Indeed, the Supreme Court of this State has similarly ruled in an analogous situation. Atlantic Coast Line Railroad v. South Carolina Public Service Commission, 144 S.E. 2d, 212, 219 (S.C. 1965). The Commission finds that the instant proposal is a proper interim response to growing competition in the telephone industry and should be authorized for a twelve-month period beginning with the date of this Order. By this Order neither the Commission, staff, nor any party waives any right to question the propriety of the Company's pricing methodology for basic exchange service or any other service. The Commission expressly reserves the right to reopen this matter and to issue an order amending or eliminating the authority sought by Southern Bell after hearing from all interested parties.

IT IS THEREFORE ORDERED:

1. That the proposed amendments to the tariff of Southern Bell Telephone and Telegraph Company filed in this matter are approved for a twelve-month period commencing on the date of this Order;

2. That the hearing previously scheduled in this matter is hereby cancelled;

3. That Order No. 84-787 issued in this Docket is hereby rescinded;

4. That Southern Bell file with this Commission and the Consumer Advocate quarterly reports showing the number and type of offerings provided under this "contract services" proposal as well as provide access to information sufficient to determine that such services are fully compensatory to the Company;

5. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THIS COMMISSION:

Vice Chairman

ATTEST:

Executive Director

(SEAL)

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Application of Ameritech Michigan | ) | |
| Pursuant to Section 271 of the | ) | CC Docket No. 97-137 |
| Communications Act of 1934, as amended, | ) | |
| To Provide In-Region InterLATA Services | ) | |
| In Michigan | ) | |

COMMENTS OF BELL ATLANTIC[1]
ON PETITIONS FOR RECONSIDERATION

The Commission should grant the petitions that ask it to reconsider its discussion of the script proposed by Ameritech for use on inbound calls. That portion of the Order, while dicta, directly conflicts with the 1996 Act, which expressly permits a Bell operating company and its interLATA affiliate to jointly market their services, is inconsistent with the Commission's own non-accounting safeguards rules, and, by the Commission's own analysis, would raise serious constitutional concerns to boot. Consequently, the Commission simply should withdraw this portion of its Order.

1. Background. In its application, Ameritech included a script for use on inbound calls that proposed to inform callers that they have a choice of long distance callers, and that Ameritech is one of the choices. It also offered to read a list of available carriers at the caller's

[1] The Bell Atlantic telephone companies ("Bell Atlantic") are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic- Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company; and New England Telephone and Telegraph Company.

option. In its order, however, the Commission concluded that the proposed script was flawed, and suggested that Ameritech instead should read a randomized list of all available long distance carriers.[2] While the discussion of this issue in the Order is non-binding dicta, the uncertainty it has engendered significantly impairs reasoned business planning efforts. As a result, this portion of the Commission's Order simply should be withdrawn.

2. The discussion of the script proposed by Ameritech is inconsistent with the Act. In section 272(g) of the 1996 Act, Congress expressly permitted a Bell operating company and its interLATA affiliate to jointly market and sell their local and long distance services, and made it clear that this joint marketing did not violate a Bell company's non-discrimination obligations under the Act. Prohibiting the use of scripts such as that proposed by Ameritech simply cannot be squared with this section of the Act.

The reason for this is straightforward. In most of the jurisdictions served by Bell Atlantic, there are well over 100 available carriers. For example, there are over 140 in the District of Columbia, and over 170 in New York. Merely reciting a random list of carriers would take a service representative eight minutes or more, and consumers simply cannot be expected to sit still for the inconvenience of having to listen to a list this long. Instead, they will interrupt with a selection (or simply terminate the call), if only to put a stop to the seemingly endless roll call of carriers. This not only would trigger a flood of complaints from frustrated consumers, but also, by effectively preventing a Bell company from jointly marketing its local and long distance services on inbound calls, would run afoul of section 272(g).

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[2] *See Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services In Michigan*, CC Docket No. 97-137, Mem. Op. and Order (rel. Aug. 19, 1997) ("Ameritech Order").

In fact, the legislative history makes clear that Congress intended to permit a Bell company to "offer the same one-stop shopping alternatives that long distance companies can offer." *See* 141 Cong. Rec. E1913-02, E1913 (Oct. 11, 1995)(remarks of Rep. Mike Ward, Kentucky). But a long distance carrier offering local service would not have to subject its customers to a list of more than one hundred competing providers before even mentioning its own service. And Congress simply did not intend for a long distance incumbent to sell all their services to a customer on an inbound call, while denying that same opportunity to a Bell company. [3]

3. The discussion of the script proposed by Ameritech is inconsistent with the Commission's own rules. In its Safeguards Order implementing section 272, the Commission expressly held that "a BOC may market its affiliate's interLATA services to inbound callers, provided that the Bell company also informs such customers of their right to select the interLATA carrier of their choice."[4] In addition, the Commission cited favorably an ***ex parte*** filing by NYNEX as an example of how this inbound joint marketing could be carried out – a procedure where NYNEX explicitly would inform customers "that a number of companies provide long distance service, including NYNEX Long Distance Company."[5]

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[3] This conclusion is further buttressed by section 274 of the Act. That provision bars a Bell operating company, as a general matter, from engaging in joint marketing with its separate electronic publishing affiliate, section 274(c)(1), but expressly permits the Bell operating company to provide "inbound telemarketing or referral services," section 274(c)(2)(A). And if inbound services are permitted even where joint marketing ***is*** restricted, then they must certainly be permitted where it is ***not***.

[4] *Implementation of the Non-Accounting Safeguards of Section 271 and 272*, 11 FCC Rcd 21905, 22045-22047 (1996) ("Safeguards Order").

[5] *See Ex Parte* letter from Susanne Guyer to William F. Caton, CC Docket No. 96-149, (filed Oct. 23, 1996), cited in Safeguards Order, n.764.

The script proposed by Ameritech fully complies both with the express terms of the Safeguards Order itself, and with the specific procedure that was cited favorably in that order.[6] It first reminds customers that they have a choice of long distance carriers. It then informs customers that Ameritech is one of the choices, but immediately offers to read a list of other available carriers.

The Commission's only explanation for its about face here is that the Safeguards Order also requires a Bell company to "provide" a list of carriers in random order. Ameritech Order, ¶ 376. But the Ameritech script does explicitly offer to read such a list. *Id.*[7] And as the Commission itself recognizes elsewhere in the same order, to "make available," as Ameritech expressly proposes to do, is consistent with a "commonly understood" meaning of "provide." *Id.*, ¶ 110.

As a result, to the extent the Order here suggests that the list not only must be made available, but must actually be read -- apparently whether the customer wants to hear it or not -- it is simply inconsistent with the rules adopted in the Safeguards Order.

4. The discussion of the script proposed by Ameritech raises serious constitutional concerns. Under the Commission's own analysis, precluding a Bell operating company from

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[6] Specifically the cited portion of the Ameritech script states: "You have a choice of companies, including Ameritech Long Distance, for long distance service. Would you like me to read from a list of other available long distance companies or do you know which company you would like?" Ameritech Order at ¶ 375.

[7] The Order complains that the list was only available if the "customer affirmatively requests the names," *id.*, but in reality it is the script which "affirmatively" makes the list available to the customer, and merely leaves it to the customer to choose whether or not he or she wants to hear the list.

providing truthful information to its customers through a script such as that proposed by Ameritech also would create serious constitutional issues.

As the Commission itself has recognized, commercial speech of the type at issue here is afforded First Amendment protection so long as the speech concerns a lawful activity and is not misleading or fraudulent -- not an issue here. *Posadas de Puerto Rico Assoc. v. Tourism Co.*, 478 U.S. 328, 340 (1986). Such speech can only be restricted where there is a substantial government interest directly advanced by the restrictions and the restrictions are no more extensive than necessary to serve that interest. 478 U.S. at 340 (citing *Central Hudson Gas & Electric Corp. v. Public Services Commission*, 447 U.S. 557, 566 (1980)).

The Commission itself recognized the problem when it interpreted the Act's explicit prohibition on the ability of large long distance carriers to joint market their long distance service with resold local services, and construed the prohibition narrowly to minimize the First Amendment concerns. Here, in contrast, the statute specifically permits a Bell operating company to market and sell its affiliate's long distance services, yet the Ameritech Order nowhere explains how preventing a Bell company from using a script such as that proposed by Ameritech satisfies the rigorous constitutional standard.

It does not because it cannot. Any conceivable concern is addressed by reminding callers that they have a choice of long distance carriers, and offering to provide a list of those carriers. In today's world of multi-million dollar long distance marketing campaigns, customers already are aware that they have choices for long distance service. Indeed, customers are least likely to be aware that the Bell company affiliate also offers such service. If a cone of silence is lowered over the Bell company, customers are less likely to understand their long distance options, and will be less able to benefit from the additional competition that Bell company entry into the long

distance market can provide. As a result, it actually harms the very governmental interest the Commission claims it is protecting.

## CONCLUSION

For all the foregoing reasons, the portion of the Commission's order discussing the script proposed by Ameritech for use on inbound calls should be withdrawn.

Respectfully submitted,

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October 9, 1997

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of October, 1997 a copy of the foregoing "Comments of Bell Atlantic on Petitions for Reconsideration" was sent by first class mail, postage prepaid, to the parties on the attached list.

Tracey M. DeVaux

* By hand delivery.

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# DEPARTMENT OF JUSTICE

## The Race For Local Competition: A Long Distance Run, Not A Sprint

Address by

JOEL I. KLEIN
Assistant Attorney General
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Before the
American Enterprise Institute

Washington, D.C.
November 5, 1997

Thank you for inviting me here today to discuss whether the Telecommunications Act of 1996 is broken and, if so, how to fix it. The way in which this question is usually put suggests to me that many thought that the journey from local monopoly to competitive markets would be a quick and smooth one. The real truth, however, is that no one who fully understands the economics or technical aspects of this industry would have predicted that local telephone competition would blossom overnight -- or even fully mature within two years after the Act's passage. To be sure, in the wake of the Act's passage as well as during the maneuvering to get the legislation enacted, we did hear rosy predictions about cable telephony and successful forays by the long distance companies into local telephone service, but these predictions were clearly self-serving and overly-optimistic. Not surprisingly, such predictions led to unrealistic expectations and, consequently, disappointment by those who expected that consumers would see the benefits of competition soon after the Act's passage.

To understand why the Act sets the right course, we must first get beyond the unrealistic expectations about how competition would unfold. Then, we can examine what are the basic steps along the way from regulated monopoly to competitive markets. Finally, once we understand the nature of this market-opening process, we can assess where things are, what progress has been made, and what is likely to lie ahead. As the title of my talk indicates, I think it is pretty clear that the disappointments about the progress thus far do not reflect any inherent or unremediable flaws in the Act, but rather, the unrealistic expectations set during the Act's passage and, possibly, the understandable eagerness of our political system to cut short a deregulatory course that is designed for long distance runners, not sprinters. My own view is that the Telecom Act maps out a fundamentally sound approach and that we are making

progress, albeit less than we all would like, and that we should stick to this course so that we can all benefit from the changes that will continue to take place as we bring competition to the local telephone market.[1]

Now, in saying that the Act points in the right direction, I do not mean to say that it's just a question of time before we see full-scale competition. Implementing the Act is a difficult task, with lots of money and entrenched interests at stake, and it will require us to resolve some very tricky technological, technical -- and yes, unfortunately, even legal -- issues; moreover, realizing the Act's vision of a competitive marketplace will also necessitate that we make the difficult transition from a system containing implicit subsidies reserved for incumbents to one providing only explicit ones that are competitively neutral. Although this kind of terrain is difficult to traverse, I believe that we must go forward because the old system of regulated monopoly was worse and, in the long run, unsustainable. The alternative, in short, was to attempt to maintain our inefficient, bifurcated market for local and long distance services and its cross-subsidization of different services. The clear consensus of those who understand this industry, however, is that such a course would not only have undercut the movement towards the offering of one-stop shopping for telecommunications services, but that it would have involved the gradual "cherry picking," through bypass opportunities, of profitable local and exchange access customers,

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[1] As Larry Darby, former Chief Economist at the FCC, put it, "The abrupt and substantial regulatory departures from the past that were required by the legislation can't be implemented overnight. Too much is at stake, and the stakeholders are too well schooled in their procedural rights. These things -- regulatory change and market adjustments -- take time." Larry Darby, "A Year and a Half Later: Is the Telecommunications Act Working?" *Telco Competition Reports*, (July 3, 1997).